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State of Misconsin 2013 - 2014 LEGISLATURE



JTK&MDK:eey:jm

DOA:.....Bong, BB0350 - Sale or lease of state-owned real property

FOR 2013-2015 BUDGET - NOT READY FOR INTRODUCTION

AN ACT ...; relating to: sale or lease of state-owned real property and contractual operation of state facilities.

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Analysis by the Legislative Reference Bureau STATE GOVERNMENT

OTHER STATE GOVERNMENT

Currently, with certain exceptions, DOA may sell or lease state-owned real property if DOA determines that the sale is in the best interest of the state and the Building Commission approves the sale. Any sale may be either on the basis of public bids, with DOA reserving the right to reject any bid in the interest of the state, or negotiated prices and need not reflect fair market value. Also currently, various state agencies have authority to sell real property under their jurisdiction subject to various conditions and limitations. The proceeds of any sales are deposited, credited, or used in various ways as provided by law. DOA's authority generally does not apply to property that another agency has authority to sell. Also, DOA's authority does not operate to permit the closure or sale of any facility or institution the operation of which is required by law. DOA's authority also does not extend to property under the iurisdiction of the Board of Regents of the University of Wisconsin System, property under the jurisdiction of DNR, except central or district office facilities, property under the jurisdiction of the Board of Commissioners of Public Lands, and property acquired using state forestation tax revenue. In addition, DOA's authority does not extend to leased property until expiration, modification, renewal, or extension of the

lease without consent of the lessee. Except as otherwise provided by law, any sale by DOA may be with or without the approval of the state agency that has jurisdiction over the property. The net proceeds of any sale by DOA are used to retire any outstanding public debt that was incurred to acquire, construct, or improve the property and if the property was acquired, constructed, or improved with federal financial assistance, the proceeds must be used to repay the federal government to the extent required by federal law. If the property was acquired by gift or grant or with gift or grant funds, DOA must adhere to any restriction governing use of the proceeds. DOA must use any remaining net proceeds to retire other outstanding public debt.

Currently, with certain exceptions, the Building Commission may also sell state—owned real property where this authority is not given to another state agency by law, and may transfer land under its jurisdiction among agencies. Sales may be accomplished in the same manner as sales by DOA. However, the Building Commission does not have this authority once DOA notifies the commission that an offer of sale or sale is pending. If a sale is not completed and no further action is pending with respect to a parcel of property, the authority of the Building Commission is restored. With limited exceptions, any sales or transfers of surplus land by the Building Commission are subject to approval of JCF. The net proceeds of any sales by the Building Commission must be used to retire any public debt that was used to acquire or construct improvements on the property being sold. The remaining net proceeds must be deposited in the budget stabilization fund.

This bill permits DOA to sell or lease any state-owned real property unless prohibited by the state or federal constitution or federal law, subject to the approval of the Building Commission. The bill does not apply to sales conducted to enforce an obligation to this state. The bill eliminates all other statutory authority of other state agencies, including the Building Commission, to sell state-owned real property. The bill does not repeal any statutes that require the operation of any facilities or institutions. Under the bill, if DOA sells all the real property that is currently used to operate a facility or institution, the facility or institution would need to continue in operation. Under the bill, DOA must use the remaining net proceeds of any sale, subject to current requirements, to retire any public debt incurred for transportation purposes from general fund supported borrowing and after any such debt is retired, to retire any public debt incurred for transportation purposes from segregated fund or segregated revenue supported borrowing and after any such debt is retired, to retire other outstanding public debt.\The bill provides that if any parcel or property that is proposed to be sold by DOA is co-owned by a nonstate entity, DOA must afford to the co-owner the right of first refusal to purchase the share of the property owned by the state on reasonable financial terms established by DOA.

The bill also provides that if DOA leases a parcel of state-owned real property, DOA may contract for the operation of any function that is performed by the state on the property. Currently, DOA or any state agency to which DOA delegates authority may enter into a contractual services agreement if the services can be performed more economically or efficiently by contract than by the state directly. The bill provides that this requirement does not apply to contracts with lessees entered

ont apply to contracts with lessees entered that the bill, if the Building Commission sells any state-ounted real property, the commission must use the remaining net proceeds in the same manner,

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into by DOA under the bill. The bill provides that if DOA sells, leases, or contracts with a lessee for the operation of any real property that was under the jurisdiction of the Board of Regents of the University of Wisconsin System prior to the sale, lease, or contract, the board must convey all systems, fixtures, or additional property interests specified by DOA to the purchaser or lessor of the property on the terms specified by DOA. In addition, the bill provides that if DOA sells or contracts with a lessee for the operation of any facility that is operated by a state agency before the effective date of the sale or contract, DOA may decrease the authorized full–time equivalent positions for the agency and may lapse or transfer appropriated moneys from any appropriation made to the agency, other than a sum sufficient appropriation or an appropriation of federal revenues, to account for discontinuance of the operation of the facility by the agency.

Finally, if DOA sells or leases state—owned property to a public utility, or contracts with a public utility for operation of a function on state—owned property that DOA leases to the public utility, the bill exempts the purchase, lease, or contract from requirements that may apply under current law for the Public Service Commission (PSC) to approve the purchase, lease, or contract. The bill also provides that such a purchase, lease, or contract is considered to be in the public interest and to comply with criteria for PSC certification that may apply under current law.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 13,48 (2) (d) of the statutes is amended to read:

13.48 (2) (d) The building commission, for the purpose of carrying out s. 36.33 relating to the sale and purchase of agricultural lands of the University of Wisconsin, may authorize the advance of sums from the state building trust fund for the purchase price, including option payments, of agricultural lands to be acquired by the University of Wisconsin and for expenses incurred in selling agricultural lands presently owned by the University of Wisconsin, including, without limitation because of enumeration, expenses of surveying, platting, constructing and improving streets and utilities and drainage in such a way as to realize the greatest return to the state in the sale of such lands, and other selling expenses. All such sums advanced shall be repaid to the state building trust fund from the appropriation made by s. 20.285 (1) (gb).

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SECTION 2. 13.48 (14) (am) of the statutes is amended to read:

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13.48 (14) (am) Except as provided in this paragraph and subject to par. (d), the building commission shall have the authority to sell or lease all or any part of a state—owned building or structure or state—owned land, including farmland, where such authority is not otherwise provided to an agency by law, and may transfer land under its jurisdiction among agencies. The building commission does not have the authority to sell or lease any state—owned property under this paragraph after the department of administration notifies the commission in writing that an offer of sale or sale with respect to a property is pending under s. 16.848 (1). If the sale is not completed and no further action is pending with respect to the property, the authority of the building commission under this paragraph is restored.

SECTION 3. 13.48 (14) (b) of the statutes is repealed.

Section 4. 13.48 (14) (c) of the statutes is repealed.

SECTION 5. 13.48 (14) (d) 3. (intro.) and a. of the statutes are amended to read:

13.48 (14) (d) 3. (intro.) Except as provided in subd. 4., the <u>The</u> commission shall annually, beginning January 1, 1984, submit to the joint committee on finance an inventory of surplus land containing the following information for each parcel:

a. The location, description and fair market value of each parcel.

SECTION 6. 13.48 (14) (d) 3. b. of the statutes is amended to read:

13.48 (14) (d) 3. b. Whether the commission intends to sell or transfer the use of the parcel from one agency to another agency.

SECTION 7. 13.48 (14) (d) 4. of the statutes is amended to read:

13.48 (14) (d) 4. If the commission proposes to sell or transfer a parcel of surplus land having a fair market value of at least \$20,000, the commission shall notify the joint committee on finance in writing of its proposed action. If the cochairpersons of

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meeting for the purpose of reviewing the proposed sale or transfer within 14 working days after the date of the commission's notification, the parcel may be sold or transferred by the commission. If, within 14 working days after the date of the commission's notification, the cochairpersons of the committee notify the commission that the committee has scheduled a meeting for the purpose of reviewing the proposed sale or transfer, the parcel may be sold or transferred under this subdivision only upon approval of the committee. This subdivision does not apply to surplus land that is authorized to be sold under s. 16.848.

SECTION 8. 13.48 (14) (e) of the statutes is repealed.

Section 9. 13.48 (20) of the statutes is repealed.

SECTION 10. 13.48 (22) of the statutes is repealed.

SECTION 11. 13.488 (1) (a) of the statutes is repealed.

SECTION 12. 13.488 (1) (c) of the statutes is amended to read:

13.488 (1) (c) The power to lease or sublease from such nonprofit—sharing corporation, and to make available for public use, any lands or any such land and existing buildings conveyed or leased to such corporation under pars. (a) and par. (b), and any new buildings erected upon such land or upon any other land owned by such corporation, upon such terms, conditions and rentals, subject to available appropriations, as in the judgment of the building commission are in the public interest. With respect to any property conveyed to such corporation under par. (a), such lease from such corporation may be subject or subordinated to one or more mortgages of such property granted by such corporation.

SECTION 13. 13.488 (1) (d) of the statutes is amended to read:

1	13.488 (1) (d) The duty to submit the plans and specifications for all such new
2	buildings and all conveyances, leases and subleases made pursuant to this section
3	to the department of administration and the governor for written approval before
4	they are finally adopted, executed and delivered.
5	SECTION 14. 16.310 of the statutes is repealed.
6	SECTION 15. 16.705 (1) of the statutes is amended to read:
7	16.705 (1) The Except as otherwise provided in this section, the department
8	or its agents may contract for services which can be performed more economically or
9	efficiently by such contract. The department shall, by rule, prescribe uniform
10	procedures for determining whether services are appropriate for contracting under
11	this subsection.
12	SECTION 16. 16.705 (1e) of the statutes is created to read:
13	16.705 (1e) Subsection (1) does not apply to contracts entered into by the
14	department under s. 16.848 (1).
15	SECTION 17. 16.848 (title) of the statutes is amended to read:
16	16.848 (title) Sale or lease of certain state property; contractual
17	operation by lessee.
18	SECTION 18. 16.848 (1) of the statutes is amended to read:
19	16.848 (1) Except as provided in sub. (2), the The department may offer for sale
20	or lease any state-owned real property, if the department determines that the sale
21	is in the best interest of the state, unless prohibited under the state or federal
22	constitution or federal law or the sale is conducted as a part of a procedure to enforce
23	an obligation to this state. Any sale may be either on the basis of public bids, with
24	the department reserving the right to reject any bid in the interest of the state, or

negotiated prices. If the department receives an offer to purchase property offered

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under this subsection, the department may submit a report to the building commission recommending acceptance of the offer. The report shall contain a description of the property and the reasons for the recommendation. department may recommend the sale of a parcel of property with or without the approval of the agency, as defined in s. 16.52 (7), having jurisdiction of the property. If the building commission approves the proposed sale, the department may sell the property. If the department sells or leases any state-owned real property under this subsection, the department may attach such conditions to the sale or lease as it finds to be necessary or appropriate to carry out the sale or lease in the best interest of the state. If the department leases state-owned real property under this subsection, the department may contract with the lessee for the operation of any function that is performed by the state on the property. Notwithstanding ss. 196.49 and 196.80, if the department sells or leases state-owned property under this subsection to a public utility, as defined in s. 196.01 (5), no approval or certification of the public service commission is necessary for the public utility to purchase or lease the property, or contract for operation of any function performed by the state on property that is leased to the public utility under this subsection, and any such purchase, lease, or contract is considered to be in the public interest and to comply with the criteria for certification of a project under s. 196.49 (3) (b).

Section 19. 16.848 (1g) of the statutes is created to read:

16.848 (1g) If any parcel of property that is proposed to be sold by the department under sub. (1) is co-owned by a nonstate entity, the department shall afford to that entity the right of first refusal to purchase the share of the property owned by the state on reasonable financial terms established by the department.

SECTION 20. 16.848 (1r) of the statutes is created to read:

- 16.848 (1r) (a) If the department sells or contracts with a lessee for the operation of any facility that is operated by an agency, as defined in s. 16.52 (7), on the day prior to the effective date of the sale or contract, the secretary shall, notwithstanding s. 16.50 (1), require submission of expenditure estimates for approval under s. 16.50 (2) for each agency that proposes to expend moneys from any appropriation for the operation of the facility during the fiscal biennium in which the facility is sold or operated under contract.
- (b) Notwithstanding s. 16.50 (2), the secretary shall disapprove any such estimate for the period during which the facility is not operated by the agency. The secretary may then require the use of the amounts of any disapproved expenditure estimates for the purpose of purchase of contractual services from the facility or payment of the costs of purchasing services that were provided by the facility from an alternative source. If the department sells or contracts for the operation of a facility under this subsection, the secretary may identify any full–time equivalent positions authorized for the agency that was operating the facility the duties of which primarily relate to the management or operation of the facility, and may decrease the authorized full–time equivalent positions for the agency by the number of positions so identified effective on the effective date of the sale or contract.
- (c) Notwithstanding ss. 20.001 (3) (a) to (c) and 25.40 (3), the secretary may lapse or transfer to the general fund from the unencumbered balance of appropriations to any agency, other than sum sufficient appropriations and appropriations of federal revenues, any amount appropriated to an agency that is determined by the secretary to be allocated for the management or operation of the facility that was sold or operated under contract effective on the effective date of the sale or contract.

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- (d) The secretary shall report any action taken under this subsection to the cochairpersons of the joint committee on finance.
- Section 21. 16.848 (2) of the statutes is repealed.
 - **SECTION 22.** 16.848 (4) (a) of the statutes is amended to read:

16.848 (4) (a) Except as provided in s. 13.48 (14) (e), if If there is any outstanding public debt used to finance the acquisition, construction, or improvement of any property that is sold under sub. (1), the department shall deposit a sufficient amount of the net proceeds from the sale of the property in the bond security and redemption fund under s. 18.09 to repay the principal and pay the interest on the debt, and any premium due upon refunding any of the debt. If the property was acquired, constructed, or improved with federal financial assistance, the department shall pay to the federal government any of the net proceeds required by federal law. If the property was acquired by gift or grant or acquired with gift or grant funds, the department shall adhere to any restriction governing use of the proceeds. Except as required under ss. 13.48 (14) (e), 20.395 (9) (gd), and 51.06 (6), if If there is no such debt outstanding, there are no moneys payable to the federal government, and there is no restriction governing use of the proceeds, and if the net proceeds exceed the amount required to be deposited, paid, or used for another purpose under this paragraph, the department shall first use the net proceeds or remaining net proceeds to pay principal and interest costs on outstanding public debt that was used for transportation purposes from general fund supported borrowing, shall then use the net proceeds or remaining net proceeds to pay principal and interest costs on outstanding public debt that was used for transportation purposes from segregated fund or segregated revenue supported borrowing, and shall then use

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the net proceeds or remaining net proceeds to pay principal and interest costs on other outstanding public debt.

Section 23. 16.848 (4) (b) (intro.) of the statutes is amended to read:

16.848 (4) (b) (intro.) For Except as otherwise required under par. (a), for the purpose of paying principal and interest costs on other outstanding public debt under par. (a), the secretary may cause outstanding bonds to be called for redemption on or following their optional redemption date, establish one or more escrow accounts to redeem bonds at their optional redemption date, or purchase bonds in the open market. To the extent practical, the secretary shall consider all of the following in determining which public debt to redeem:

Section 24. 16.98 (3) of the statutes is amended to read:

16.98 (3) All proceeds from the sale of land, buildings, supplies and equipment personal property received under this section shall be credited to the appropriation under s. 20.505 (1) (im) or (ka). Such proceeds may be used for the purchase of lands and buildings or for construction or improvement of buildings for the purpose of storing and handling excess and surplus property.

SECTION 25. 20.370 (1) (fs) of the statutes is amended to read:

20.370 (1) (fs) Endangered resources — voluntary payments; sales, leases, and fees. As a continuing appropriation, from moneys received as amounts designated under ss. 71.10 (5) (b) and 71.30 (10) (b), the net amounts certified under ss. 71.10 (5) (h) 4. and 71.30 (10) (h) 3., all moneys received from the sale or lease of resources derived from the land in the state natural areas system, and all moneys received from fees collected under ss. 29.319 (2), 29.563 (10), and 341.14 (6r) (b) 5. and 12., for the purposes of the endangered resources program, as defined under ss. 71.10 (5) (a) 2. and 71.30 (10) (a) 2. Three percent of the moneys certified under ss. 71.10 (5) (h) 4.

and 71.30 (10) (h) 3. in each fiscal year and 3% of the fees received under s. 341.14 (6r) (b) 5. and 12. in each fiscal year shall be allocated for wildlife damage control and payment of claims for damage associated with endangered or threatened species, except that this combined allocation may not exceed \$100,000 per fiscal year.

SECTION 26. 20.370 (1) (gr) of the statutes is amended to read:

20.370 (1) (gr) Endangered resources program — gifts and grants; sale of state—owned lands. All moneys received from gifts, grants and bequests for the endangered resources program, as defined under s. 71.10 (5) (a) 2., to be expended for the purposes for which made and received; and all moneys received from gifts and contributions under the Wisconsin natural areas heritage program and all moneys received from the sale of state—owned lands withdrawn from the state natural areas system for the purposes of natural heritage land acquisition activities, natural area land acquisition activities, and administration of the natural areas inventory program.

SECTION 27. 20.370 (7) (ag) of the statutes is repealed.

reflected in the revised schedule in s. 20.005, stats.

YEAR NOTE: The period of the following of the statutes is amended to read:

20.373 (1) (g) Administration, operation, repair, and rehabilitation. From the following of the

****NOTE: This Section involves a change in an appropriation that must be

SECTION 29. 20.395 (9) (qd) of the statutes is amended to read:

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20.395 (9) (qd) Freeway land disposal reimbursement clearing account. All moneys received from the disposition of interests in lands and property previously acquired and held in trust for the state for freeway development for the purpose of reimbursing federal and local governments government for expenses incurred by them it for such acquisition.

Section 30. 20.410 (3) (hm) of the statutes is amended to read:

20.410 (3) (hm) Juvenile correctional services. The amounts in the schedule for juvenile correctional services specified in ss. 49.45 (25) (bj) and 301.26 (4) (c) and (d). All moneys received from the sale of surplus personal property, including vehicles, from juvenile correctional institutions operated by the department, all moneys received as payments in restitution of property damaged at juvenile correctional institutions operated by the department, all moneys received from miscellaneous services provided at a juvenile correctional institution operated by the department, all moneys transferred under s. 301.26 (4) (cm), all moneys transferred under s. 301.26 (4) (ct), and, except as otherwise provided in pars. (ho) and (hr), all moneys received in payment for juvenile correctional services as specified in s. 301.26 (4) (d), (dt), and (g) shall be credited to this appropriation account. If moneys generated by the daily rate under s. 301.26 (4) (d) exceed actual fiscal year institutional costs by more than 2%, all moneys in excess of 2% shall be remitted to the counties during the subsequent calendar year or transferred to the appropriation account under par. (kx) during the subsequent fiscal year. Each county and the department shall receive a proportionate share of the remittance and transfer depending on the total number of days of placement at juvenile correctional institutions including the Mendota Juvenile Treatment Center. Counties shall use the funds for purposes specified in

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s. 301.26. The department shall deposit in the general fund the amounts transferred under this paragraph to the appropriation account under par. (kx).

SECTION 31. 20.435 (2) (gk) of the statutes is amended to read:

20.435 (2) (gk) Institutional operations and charges. The amounts in the schedule for care, other than under s. 51.06 (1r), provided by the centers for the developmentally disabled, to reimburse the cost of providing the services and to remit any credit balances to county departments that occur on and after July 1, 1978, in accordance with s. 51.437 (4rm) (c); for care, other than under s. 46.043, provided by the mental health institutes, to reimburse the cost of providing the services and to remit any credit balances to county departments that occur on and after January 1, 1979, in accordance with s. 51.42 (3) (as) 2.; for maintenance of state-owned housing at centers for the developmentally disabled and mental health institutes; for repair or replacement of personal property damaged at the mental health institutes or at centers for the developmentally disabled; and for reimbursing the total cost of using, producing, and providing services, products, and care. All moneys received as payments from medical assistance on and after August 1, 1978; as payments from all other sources including other payments under s. 46.10 and payments under s. 51.437 (4rm) (c) received on and after July 1, 1978; as medical assistance payments, other payments under s. 46.10, and payments under s. 51.42 (3) (as) 2. received on and after January 1, 1979; as payments for the rental of state-owned housing and other institutional facilities at centers for the developmentally disabled and mental health institutes; for the sale of electricity, steam, or chilled water; as payments in restitution of personal property damaged at the mental health institutes or at centers for the developmentally disabled; for the sale of surplus personal property, including vehicles, at the mental health institutes

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or at centers for the developmentally disabled; and for other services, products, and care shall be credited to this appropriation, except that any payment under s. 46.10 received for the care or treatment of patients admitted under s. 51.10, 51.15, or 51.20 for which the state is liable under s. 51.05 (3), of forensic patients committed under ch. 971 or 975, admitted under ch. 975, or transferred under s. 51.35 (3), or of patients transferred from a state prison under s. 51.37 (5), to the Mendota Mental Health Institute or the Winnebago Mental Health Institute shall be treated as general purpose revenue — earned, as defined under s. 20.001 (4); and except that moneys received under s. 51.06 (6) may be expended only as provided in s. 13.101 (17).

Section 32. 20.465 (1) (g) of the statutes is amended to read:

20.465 (1) (g) Military property. The amounts in the schedule for rent of state—owned military lands or buildings used by, acquired for or erected for the Wisconsin national guard under s. 321.03 (2) (a), for rental of buildings and grounds maintenance equipment owned by the state and required to properly maintain properties supported by state—federal cooperative funding agreements, for the repair and maintenance of state—owned military lands or buildings, for the payment of municipal assessments related to state—owned military property and for the purchase and construction of new military property, real and personal. All moneys received on account of lost military property, from the sale of obsolete or unserviceable military personal property, from the sale of any state—owned military personal property, real—and—personal, under s. 321.03 (2) (b), from the rental of state—owned housing, or from the provision of housing—related services to military personnel shall be credited to this appropriation.

SECTION 33. 20.507 (1) (h) of the statutes is amended to read:

20.507 (1) (h) Trust lands and investments — general program operations. The amounts in the schedule for the general program operations of the board as provided under ss. 24.04, 24.09 (1) (bm) (3), 24.53 and 24.62 (1). All amounts deducted from the gross receipts of the appropriate funds as provided under ss. 24.04, 24.09 (1) (bm) (3), 24.53 and 24.62 (1) shall be credited to this appropriation account. Notwithstanding s. 20.001 (3) (a), the unencumbered balance at the end of each fiscal year shall be transferred to the trust funds, as defined under s. 24.60 (5). The amount transferred to each trust fund, as defined under s. 24.60 (5), shall bear the same proportion to the total amount transferred to the trust funds that the gross receipts of that trust fund bears to the total gross receipts credited to this appropriation account during that fiscal year.

SECTION 34. 20.866 (1) (u) of the statutes is amended to read:

1	SECTION 35. 20.913 (3) (b) of the statutes is amended to read:
2	20.913 (3) (b) Lands. For repayment of moneys paid to the state on purchases
3	of public or escheated lands, as provided in ss. 24.11, 24.33, 24.34 and 24.35.
4	SECTION 36. 23.0917 (5m) (b) (intro.) and 4. of the statutes are consolidated,
5	renumbered 23.0917 (5m) (b) and amended to read:
6	23.0917 (5m) (b) For each land acquisition transaction under this subsection,
7	all-of-the-following-apply:
8	4. For bonds that are not retired from the proceeds of the sale of the acquired
9	land within 3 years after the date on which the land was acquired by the department,
10	the department shall adjust the available bonding authority for the subprogram for
11	land acquisition by decreasing the available bonding authority for the next fiscal
12	year beginning after the end of that the 3-year period following the date of
13	acquisition by an amount equal to the total amount of the bonds that have not been
14	retired from such proceeds in that fiscal year and, if necessary, shall decrease for each
15	subsequent fiscal year the available bonding authority in an amount equal to that
16	available bonding authority or equal to the amount still needed to equal the total
17	amount of the bonds that have not been retired from such proceeds, whichever is less,
18	until the available bonding authority has been decreased by an amount equal to the
19	total of the bonds that have not been retired.
20	SECTION 37. 23.0917 (5m) (b) 1. to 3. of the statutes are repealed. This Section and the free ment of 55, 20,370 (7) (4g) and (4) //4)
21	SECTION 38. 23.0917 (6m) (e) of the statutes is amended to read:
22	23.0917 (6m) (e) This subsection does not apply to moneys obligated for the being
23	purpose of property development as described under sub. (4) or to moneys obligated my
24	for land acquired by the department under s. 24.59 (1).
25	SECTION 39. 23.15 of the statutes is repealed. Section 39. 23.15 of the statutes is repealed.
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1	SECTION 40. 23.196 (2) (c) of the statutes is repealed.
2	SECTION 41. 23.1985 of the statutes is repealed.
3	SECTION 42. 23.27 (6) of the statutes is amended to read:
4	23.27 (6) SALE; CREDIT. Moneys received by the state from the sale of any area
5	on state-owned land under the department's management or control which is
6	withdrawn from the state natural areas system shall be credited to the appropriation
7	under s. 20.370 (1) (gr). An amount equal to the value of any area on state-owned
8	land under the department's management or control which is withdrawn from the
9	state natural areas system but remains in state ownership shall be credited to the
10	appropriation under s. 20.370 (1) (gr).
11	SECTION 43. 23.27 (7) of the statutes is amended to read:
12	23.27 (7) SALE LEASE OF RESOURCES. Moneys received from the sale or lease or
13	resources derived from the land in the state natural areas system shall be credited
14	to the appropriation under s. 20.370 (1) (fs).
15	SECTION 44. 24.01 (1), (4), (5), (7), (9) and (10) of the statutes are amended to
16	read:
17	24.01 (1) "Agricultural college lands" embraces all lands granted to the state
18	by an act of congress entitled "An act donating public lands to the several states and
19	territories which may provide colleges for the benefit of agriculture and the mechanic
20	arts," approved July 2, 1862, as well as any land received under s. $24.09 ext{ (1) (bm)}$ (3)
21	in exchange for such land.
22	(4) "Marathon County lands" embraces all lands acquired by the state
23	pursuant to chapter 22 of the general laws of 1867, as well as any land received under

(5) "Normal school lands" embraces all parcels of said "swamp lands" which the
legislature has declared or otherwise decided, or may hereafter declare or otherwise
decide, were not or are not needed for the drainage or reclamation of the same or
other lands, as well as any land received under s. $24.09 \frac{(1) \cdot (bm)}{(3)}$ in exchange for
such land.

- (7) "School lands" embraces all lands made a part of "the school fund" by article X, section 2, of the constitution, as well as any land received under s. 24.09 (1) (bm)

 (3) in exchange for such land.
- (9) "Swamp lands" embraces all lands which have been or may be transferred to the state pursuant to an act of congress entitled "An act to enable the state of Arkansas and other states to reclaim the swamp lands within their limits," approved September 28, 1850, or pursuant to an act of congress entitled "An act for the relief of purchasers and locators of swamp and overflowed lands," approved March 2, 1855, as well as any land received under s. 24.09 (1) (bm) (3) in exchange for such land.
- (10) "University lands" embraces all lands the proceeds of which are denominated "the university fund" by article X, section 6, of the constitution, as well as any land received under s. 24.09 (1) (bm) (3) in exchange for such land.

Section 45. 24.04 (2) of the statutes is amended to read:

24.04 (2) DISBURSEMENTS. All expenses necessarily incurred in caring for and selling public lands shall be deducted from the gross receipts of the fund to which the proceeds of the sale of the land will be added for which the lands are granted. Expenses necessarily incurred in caring for public lands may include expenses for reforestation, erosion and insect control, submerged log monitoring, surveys, appraisals, soil surveys and soil mapping activities and other land management

1	practices that serve to protect or enhance the interests of the beneficiaries of the trust
2	funds.
3	SECTION 46. 24.06 of the statutes is repealed.
4	SECTION 47. 24.07 of the statutes is repealed.
5	SECTION 48. 24.08 (1) of the statutes is amended to read:
6	24.08 (1) LANDS APPRAISED. Every parcel of public land that was never
7	appraised, every parcel of public land forfeited to the state under s. 24.28 and every
8	parcel of land mortgaged to secure any loan of trust funds and bid in by the state at
9	a sale an exchange of that land under the mortgage shall be appraised under this
10	section before it is offered or reoffered for sale at public auction, at private sale or
11	exchanged for other lands. These lands may be reappraised whenever necessary.
12	SECTION 49. 24.08 (4) of the statutes is amended to read:
13	24.08 (4) Appraised value, minimum price, government minimum. Such
14	appraised value shall be the minimum price of the land until sold or reappraised.
15	Until an appraisal under this section, the appraisal last heretofore made of any
16	parcel of public land, if any has been made, shall fix the minimum price thereof.
17	Notwithstanding this section no parcel of public land having a minimum price for the
18	sale thereof fixed by the act of congress granting the same to the state, shall be sold
19	for a lesser price than that so fixed.
20	SECTION 50. 24.09 (title) of the statutes is amended to read:
21	24.09 (title) Procedure before sale or exchange; withdrawal; resale.
22	Section 51. 24.09 (1) (a) of the statutes is renumbered 24.09 (1) and amended
23	to read:
24	24.09 (1) Except as provided under par. (c) sub. (4), the board may not sell or
25	exchange any public lands which were not appraised or appraised under s. 24.08.

Except as provided under pars. (b), (bm) and (e) subs. (2), (3), and (4), the board ma	ay
not sell or exchange any public lands except at public auction or by sealed bid.	

SECTION 52. 24.09 (1) (b) of the statutes is renumbered 24.09 (2) and amended to read:

24.09 (2) Lands required for federal, state, county, city, village, town, or school district use may be sold at the appraised value to, or exchanged for land of approximately equivalent value with, the federal government, other state departments, boards or commissions, counties, cities, villages, towns, or school districts.

SECTION 53. 24.09 (1) (bm) of the statutes is renumbered 24.09 (3) and amended to read:

24.09 (3) The board may exchange part or all of any parcel of public lands for any other land of approximately equal value if the board determines that the exchange will contribute to the consolidation or completion of a block of land, enhance conservation of lands or otherwise be in the public interest. Under this paragraph subsection, an exchange is of "approximately equal value" if the difference in value between the more highly valued land and the less highly valued land does not exceed 10% of the value of the more highly valued land. All expenses necessarily incurred in making an exchange under this paragraph subsection shall be deducted from the gross receipts of the fund to which the proceeds of the sale of the exchanged land will be added for which the lands are granted.

SECTION 54. 24.09 (1) (c) of the statutes is renumbered 24.09 (4) and amended to read:

24.09 (4) Lands located within the federally recognized exterior boundaries of Indian reservations or located adjacent to the federally recognized boundaries of

- Indian reservations may be sold to or exchanged with the Indian tribe or tribes located on those reservations or sold to or exchanged with the federal government for the benefit and use of such tribe or tribes upon prices, terms and conditions agreeable to the board and without being subject to the restrictions and procedure otherwise provided by law for the sale exchanged of public lands.
- **SECTION 55.** 24.09 (1) (d) of the statutes is repealed.
- 7 Section **56.** 24.09 (2) of the statutes is repealed.
- 8 Section 57. 24.10 of the statutes is repealed.
- **Section 58.** 24.11 (title) of the statutes is repealed and recreated to read:
- **24.11** (title) **Reservation.**
- 11 Section 59. 24.11 (1) of the statutes is repealed.
- 12 Section 60. 24.11 (2) of the statutes is repealed.
- **Section 61.** 24.11 (3) (title) of the statutes is repealed.
- **SECTION 62.** 24.11 (3) of the statutes is renumbered 24.11 and amended to read:
 - 24.11 Every contract, certificate of sale, or grant hereunder of public lands shall reserve to the people the right of access to such lands and to any meandered or nonmeandered stream, river, pond or lake navigable in fact for any purpose whatsoever, bordered by such lands and all rights necessary to the full enjoyment of such waters, and of all minerals in said lands, and all mining rights therein, and shall also be subject to continued ownership by the state of all waterpower rights on such lands or in any manner appurtenant thereto. Such conveyance shall also be subject to a continuing easement in the state and its assigns to enter and occupy such lands in any manner necessary and convenient to the removal of such mineral from such lands and to the proper exercise of such mineral rights, and shall be further subject to the continuing easement in the state and its assigns to enter and occupy such lands

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- in any manner necessary and convenient to the development, maintenance and use of any such water rights. Nothing contained in this section shall be construed to provide for the continued ownership in the state of any stone used for building purposes nor of any sand or gravel.
- **Section 63.** 24.11 (4) of the statutes is repealed.
- 6 Section 64. 24.12 of the statutes is repealed.
- 7 **Section 65.** 24.14 of the statutes is repealed.
- 8 **Section 66.** 24.15 of the statutes is repealed.
- 9 Section 67. 24.16 of the statutes is repealed.
- 10 Section 68. 24.17 of the statutes is repealed.
- 11 Section 69. 24.18 of the statutes is repealed.
- 12 Section 70. 24.19 of the statutes is repealed.
- 13 Section 71. 24.20 of the statutes is repealed.
- 14 Section 72. 24.21 of the statutes is repealed.
- 15 Section 73. 24.22 of the statutes is repealed.
- 16 Section 74. 24.23 of the statutes is repealed.
- 17 **SECTION 75.** 24.24 (1) of the statutes is amended to read:
 - 24.24 (1) Except when voided by forfeiture under s. 24.28, a certificate of sale issued under s. 24.17, 2011 stats., entitles the purchaser, or the purchaser's heirs or assigns, to all the rents, benefits, and provisions of any lease existing on the lands described in the certificate at the time of the land purchase and accruing after the purchase. The certificate of sale is sufficient evidence of title and vests in the purchaser, or the purchaser's heirs and assigns, the same rights of possession, enjoyment, descent, transmission, and alienation of the lands described in the certificate and the same remedies for the protection of those rights against all

1 persons, except the state, that the purchaser would possess if the purchaser were the 2 owner in fee of the described lands. 3 **Section 76.** 24.25 of the statutes is repealed. 4 **SECTION 77.** 24.27 of the statutes is repealed. 5 **Section 78.** 24.28 (1) (intro.) of the statutes is amended to read: 6 24.28 (1) (intro.) A certificate of sale issued under s. 24.17, 2011 stats., becomes 7 void upon the occurrence of any of the following, and the purchaser of the lands 8 described in the certificate, or the purchaser's heirs and assigns, shall forfeit all right 9 and interest in the lands: 10 **Section 79.** 24.28 (2) of the statutes is amended to read: 11 24.28 (2) In the event of a forfeiture of lands under sub. (1), the board may take 12 immediate possession of and resell the forfeited lands as provided under ss. 24.29 to 13 24.30 and 24.33. 14 **Section 80.** 24.29 of the statutes is repealed. 15 **Section 81.** 24.31 of the statutes is repealed. 16 **Section 82.** 24.32 of the statutes is repealed. 17 **Section 83.** 24.33 (1) (intro.) of the statutes is amended to read: 18 24.33 (1) (intro.) The board, within 3 months after a resale under s. 24.32, 2011 19 stats., may by a written recorded order, a copy of which shall be immediately served 20 on the purchaser of the resold land, avoid and cancel the resale and restore and revive 21 the certificate issued to the original purchaser of the land under s. 24.17, 2011 stats... 22 after all of the following occur: 23 **SECTION 84.** 24.52 of the statutes is amended to read: 24 **24.52 Jurisdiction.** Together with the power and duty of selling the school 25 and university lands and investing the funds arising therefrom from the sale of the

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school and university lands, prescribed for the board by article X, section 7, of the constitution, it is invested with power to dispose of all other public lands and all interests in lands held by the state for sale, and with such further powers as may be necessary or convenient to enable it to exercise the functions and perform the duties imposed upon it by law.

SECTION 85. 24.53 of the statutes is amended to read:

24.53 Investigate land claims; deduct expenses. The board of commissioners of public lands shall investigate the rights of the state to school lands, normal school lands, university lands and agricultural college lands. The expenses incurred in making these investigations and taking necessary steps to protect common school lands, normal school lands, university lands and agricultural college lands and timber on those lands, as well as the expense of necessary surveys, records, appraisals and sales, upon the approval of the board, shall be deducted from the gross receipts of the fund to which the proceeds from the sale of the land or timber will be added for which the lands are granted.

SECTION 86. 24.57 of the statutes is amended to read:

24.57 Report of board. The board shall include in any report submitted under s. 15.07 (6) a report of its official proceedings for the period since the proceedings reported in the most recent report, showing the quantity of land sold or leased and the amount received therefor, the amount of interest moneys accrued or received and a specific account of the several investments made by them, stating in all cases of loans, the name of each borrower, the sum borrowed and a description of the property mortgaged. The report also shall include such other matters as it thinks proper to communicate or as the legislature requires.

SECTION 87. 24.59 of the statutes is repealed.

Section 88. 24.605 of the statutes is amended to read:

24.605 Accounts in trust funds for deposit of proceeds from sale of certain lands. The board shall establish in each of the trust funds an account to which are credited the proceeds from the sale of any public lands on or after May 3, 2006, and before the effective date of this section [LRB inserts date], that are required by law to be deposited in the funds. Moneys credited to the accounts in the funds may only be used to invest in land under s. 24.61 (2) (a) 10. and for the payment of expenses necessarily related to investing in land under s. 24.61 (2) (a) 10.

SECTION 89. 25.17 (8) of the statutes is amended to read:

25.17 (8) Accept, when necessary to protect a mortgage loan, a quitclaim deed or warranty deed to the mortgaged property in full satisfaction of the mortgage debt, and manage, operate, lease, exchange, sell and convey, by land contract, quitclaim deed or warranty deed, and grant easement rights in, any real property acquired by the board.

SECTION 90. 25.295 (1) (b) of the statutes is amended to read:

25.295 (1) (b) Notwithstanding s. 23.15 (4), all All moneys received by the department of natural resources from utility easements on property located in the state park system, a southern state forest, as defined in s. 27.016 (1) (c), or a state recreation area under ss. 23.09 (10), 27.01 (2) (g) and 28.02 (5).

SECTION 91. 25.60 of the statutes is amended to read:

25.60 Budget stabilization fund. There is created a separate nonlapsible trust fund designated as the budget stabilization fund, consisting of moneys transferred to the fund from the general fund under ss. 13.48 (14) (c), 16.518 (3), and 16.72 (4) (b).

Section 92. 28.02 (4) of the statutes is repealed.

SECTION 93. 36.09 (1) (L) of the statutes is amended to read:

36.09 (1) (L) The board shall possess all powers necessary or convenient for the operation of the system except as limited in this chapter and s. 16.848 (1).

SECTION 94. 36.09 (1) (m) of the statutes is created to read:

36.09 (1) (m) If the department of administration sells, leases, or contracts with a lessee for the operation of any real property that was under the jurisdiction of the board prior to the sale, lease, or contract, the board shall convey all systems, fixtures, or additional property interests specified by the department of administration to the purchaser or lessor of the property on terms specified by the department of administration.

SECTION 95. 36.11 (1) (b) of the statutes is amended to read:

36.11 (1) (b) Except as provided in this paragraph, the board may purchase, have custody of, hold, control, possess, lease, grant easements and enjoy any lands, buildings, books, records and all other property of any nature which may be necessary and required for the purposes, objects and uses of the system authorized by law. The power to lease does not apply to any real property that is subject to a lease entered into by the department of administration under s. 16.848 (1). Any lease by the board is subject to the powers of the University of Wisconsin Hospitals and Clinics Authority under s. 233.03 (13) and the rights of the authority under any lease agreement, as defined in s. 233.01 (6). The board shall not permit a facility that would be privately owned or operated to be constructed on state—owned land without obtaining prior approval of the building commission under s. 13.48 (12). The board may sell or dispose of such property as provided by law, or any part thereof when in its judgment it is for the best interests of the system and the state. All purchases and sales of real property shall be subject to the approval of the building commission. The

provision of all leases of real property to be occupied by the board shall be the responsibility of the department of administration under s. 16.84 (5).

SECTION 96. 36.11 (1) (e) of the statutes is amended to read:

36.11 (1) (e) The board, with the approval of the building commission, may sell or lease state—owned residence halls to another state agency or nonstate nonprofit agency for purposes of alternate use. This paragraph does not apply to any real property that is subject to a lease entered into by the department of administration under s. 16.848 (1).

SECTION 97. 36.11 (28) of the statutes is amended to read:

36.11 (28) Lease agreement with the University of Wisconsin Hospitals and Clinics Authority. Subject to 1995 Wisconsin Act 27, section 9159 (2) (k), and subject to any prior lease entered into by the department of administration under s. 16.848 (1), the board shall negotiate and enter into a lease agreement with the University of Wisconsin Hospitals and Clinics Authority that meets the requirements under s. 233.04 (7) and shall comply with s. 233.04 (7g).

SECTION 98. 36.33 (title) and (1) of the statutes are amended to read:

36.33 (title) Sale Lease and relocation of agricultural lands. (1) Legislative intent. The legislature finds and determines that, because of the problems resulting from the development of the city of Madison around certain agricultural lands of the University of Wisconsin-Madison, the desirability of consolidating lands used for agricultural instruction, research and extension purposes, the desirability of disposing of agricultural lands no longer needed by the university and the need for land of better quality and of greater quantity for the purpose of improving and expanding agricultural research, it is in the public interest for the board to sell-or lease, in whole or in part, the agricultural lands and

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improvements thereon owned by the board and located in sections 19, 20 and 30,	
township 7 north, range 9 east, Dane County; sections 25 and 27, township 7 north,	
range 8 east, Dane County; sections 34 and 35, township 38 north, range 11 east,	
Oneida County; and section 22, township 22 north, range 8 east, Portage County; and	
to purchase other agricultural lands outside of the Madison urban area and to	
construct thereon the necessary buildings and improvements. The foregoing policy	
determination is made without reference to or intention of limiting the powers which	
the board may otherwise have.	

SECTION 99. 36.33 (2) (title) and (a) (intro.) of the statutes are amended to read: 36.33 (2) (title) METHOD OF SALE LEASE; ASSESSMENTS. (a) (intro.) The board, in selling or leasing any part of the agricultural lands and improvements thereon, mentioned in sub. (1), shall sell or lease on the basis of either of the following:

SECTION 100. 36.33 (3) of the statutes is amended to read:

36.33 (3) BUILDING COMMISSION APPROVAL. The sale, lease and purchase of agricultural lands mentioned in sub. (1) shall be subject to the approval of the building commission.

SECTION 101. 36.33 (4) of the statutes is repealed.

Section 102. 36.335 of the statutes is repealed.

SECTION 103. 41.23 of the statutes is amended to read:

41.23 Sale of excess or surplus property. The department may acquire excess or surplus property from the department of administration under ss. 16.72 (4) (b) and 16.98 (1) or from the department of transportation under s. 84.09 (5s) and. The department may sell the personal property acquired under this section to any person at a price determined by the department of tourism. All proceeds received by

the department of tourism from the sale of property under this section shall be credited to the appropriation account under s. 20.380 (1) (h).

SECTION 104. 41.41 (7) (d) of the statutes is repealed.

SECTION 105. 44.015 (1) of the statutes is amended to read:

44.015 (1) Acquire any interest in real or personal property by gift, bequest or otherwise in any amount and may operate, manage, sell, or rent or convey real estate acquired by gift, bequest, foreclosure or other means, upon such terms and conditions as the board of curators deems for its interests but may not sell, mortgage, transfer or dispose of in any manner or remove from its buildings, except for temporary purposes, any article therein without authority of law.

SECTION 106. 45.03 (5) (a) 1. of the statutes is amended to read:

45.03 (5) (a) 1. "Existing building" in relation to any conveyance, lease, or sublease made under par. (c) 1. means all detention, treatment, administrative, recreational, infirmary, hospital, vocational, and academic buildings; all dormitories and cottages; all storage facilities, heating plants, sewage disposal plants, and other buildings, structures, facilities, and permanent improvements that in the judgment of the board are needed or useful for the purposes of the department, and all equipment for them and all improvements and additions to them that were erected, constructed, or installed prior to the making of the conveyance, lease, or sublease.

SECTION 107. 45.03 (5) (a) 2. of the statutes is amended to read:

45.03 (5) (a) 2. "New building" in relation to any conveyance, lease, or sublease made under par. (c) 1. means all detention, treatment, administrative, recreational, infirmary, hospital, vocational, and academic buildings; all dormitories and cottages; all storage facilities, heating plants, sewage disposal plants, and other buildings, structures, facilities, and permanent improvements as in the judgment of the board

are needed or useful for the purposes of the department, and all equipment for them
and all improvements and additions to them that are erected, constructed, or
installed after the making of the conveyance, lease, or sublease.

SECTION 108. 45.03 (5) (c) 1. a. of the statutes is repealed.

SECTION 109. 45.03 (5) (c) 1. c. and d. of the statutes are amended to read:

45.03 (5) (c) 1. c. The power to lease or sublease from the nonprofit corporation, and to make available for public use, any land, or any land and existing buildings conveyed or leased to such nonprofit corporation under subd. 1. a. and b., and any new buildings erected upon such land or upon any other land owned by the nonprofit corporation, upon the terms, conditions, and rentals, subject to available appropriations, as in the judgment of the board are in the public interest.

d. The duty to submit the plans and specifications for all new buildings to the building commission for approval whenever required by law and to submit plans and specifications for all new buildings and all conveyances, leases, and subleases made under this subsection to the department of administration and the governor for written approval before they are finally adopted, executed, and delivered.

SECTION 110. 45.32 (7) of the statutes is amended to read:

45.32 (7) Manage, operate, lease, <u>and</u> exchange, sell, and otherwise convey real property.

Section 111. 46.03 (30) (a) of the statutes is amended to read:

46.03 (30) (a) To provide for an orderly reduction of state institutional primary psychiatric services the department may approve the institutes entering into contracts with county departments under s. 51.42 for providing primary psychiatric care. If excess capacity exists at state operated mental health institutes, the

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department shall, subject to s. 16.848, explore the possible sale or lease of such excess facilities to a county department under s. 51.42.

SECTION 112. 46.035 (1) (a) and (b) of the statutes are amended to read:

46.035 (1) (a) The term "existing building" in relation to any conveyance, lease or sublease made under sub. (2) (a), (b), and (c) means all detention, treatment, administrative, recreational, infirmary, hospital, vocational and academic buildings; all dormitories and cottages; all storage facilities, heating plants, sewage disposal plants, and such other buildings, structures, facilities and permanent improvements as in the judgment of the secretary are needed or useful for the purposes of the department, and all equipment therefor and all improvements and additions thereto which were erected, constructed or installed prior to the making of such conveyance, lease or sublease.

- (b) The term "new building" in relation to any conveyance, lease or sublease made under sub. (2) (a), (b), and (c) means all detention, treatment, administrative, recreational, infirmary, hospital, vocational and academic buildings; all dormitories and cottages; all storage facilities, heating plants, sewage disposal plants, and such other buildings, structures, facilities and permanent improvements as in the judgment of the secretary are needed or useful for the purposes of the department, and all equipment therefor and all improvements and additions thereto which are erected, constructed or installed after the making of such conveyance, lease or sublease.
 - SECTION 113. 46.035 (2) (a) of the statutes is repealed.
- SECTION 114. 46.035 (2) (c) and (d) of the statutes are amended to read:
 - 46.035 (2) (c) The power to lease or sublease from such nonprofit corporation, and to make available for public use, any such land and existing buildings conveyed

or leased to such nonprofit corporation under pars. (a) and par. (b), and any new buildings erected upon such land or upon any other land owned by such nonprofit corporation, upon such terms, conditions and rentals, subject to available appropriations, as in the judgment of the secretary are in the public interest. With respect to any property conveyed to such nonprofit corporation under par. (a), such lease from such nonprofit corporation may be subject or subordinated to one or more mortgages of such property granted by such nonprofit corporation.

(d) The duty to submit the plans and specifications for all such new buildings and all conveyances, leases and subleases made under this subsection to the department of administration and the governor for written approval before they are finally adopted, executed and delivered.

SECTION 115. 46.06 (title) of the statutes is amended to read:

46.06 (title) Lands; condemnation, easements, leases, sales, purchases.

SECTION 116. 46.06 (4) of the statutes is repealed.

SECTION 117. 51.06 (6) of the statutes is amended to read:

51.06 (6) Sale of assets or real property at Northern Center for the Developmentally Disabled. The department may maintain the Northern Center for the Developmentally Disabled for the purpose specified in sub. (1), but may sell assets or except real property, of the Northern Center for the Developmentally Disabled. If there is any outstanding public debt used to finance the acquisition, construction, or improvement of any property that is sold under this subsection, the department shall deposit a sufficient amount of the net proceeds from the sale of the property in the bond security and redemption fund under s. 18.09 to repay the principal and pay the interest on the debt, and any premium due upon refunding any of the debt. If the property was purchased with federal financial assistance, the

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department shall pay to the federal government any of the net proceeds required by federal law. If there is no such debt outstanding and there are no moneys payable to the federal government, or if the net proceeds exceed the amount required to be deposited or paid under this subsection, the department shall credit the net proceeds or remaining net proceeds to the appropriation account under s. 20.435 (2) (gk).

SECTION 118. 84.01 (30) (intro.) of the statutes is amended to read:

84.01 (30) BUILD-OPERATE-LEASE OR TRANSFER AGREEMENTS. (intro.) The department may enter into build-operate-lease or transfer agreements with private entities for the construction of transportation projects, including any projects to be financed under s. 84.59 for transportation administrative facilities under s. 84.01 (28) and, for projects that are not purchased by the state upon their completion, for the maintenance and operation of such projects. A project under this subsection may be constructed on state-owned land. An agreement under this subsection may not be entered into unless the department determines that the agreement advances the public interest, and the private entity has prior experience in design, construction, site development and environmental impact analysis and, for a project that is not expected to be purchased by the state upon its completion, has the capability of maintaining and operating the facility upon completion of the project. The following provisions shall be contained in any build-operate-lease or transfer agreement under this subsection, except that they shall be included in an agreement for a sale of property under par. (g) 3. only if they are relevant to that sale:

SECTION 119. 84.01 (30) (g) 3. of the statutes is repealed.

SECTION 120. 84.09 (1) of the statutes is amended to read:

84.09 (1) The department may acquire by gift, devise, purchase or condemnation any lands for establishing, laying out, widening, enlarging,

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extending, constructing, reconstructing, improving and maintaining highways and other transportation related facilities, or interests in lands in and about and along and leading to any or all of the same; and after establishment, layout and completion of such improvements, the department may convey such lands thus acquired and not necessary for such improvements, with reservations concerning the future use and occupation of such lands so as to protect such public works and improvements and their environs and to preserve the view, appearance, light, air and usefulness of such public works. Whenever the department deems it necessary to acquire any such lands or interests therein for any transportation related purpose, it shall so order and in such order or on a map or plat show the old and new locations and the lands and interests required, and shall file a copy of the order and map with the county clerk and county highway committee of each county in which such lands or interests are required or, in lieu of filing a copy of the order and map, may file or record a plat in accordance with s. 84.095. For the purposes of this section the department may acquire private or public lands or interests in such lands. When so provided in the department's order, such land shall be acquired in fee simple. Unless it elects to proceed under sub. (3), the department shall endeavor to obtain easements or title in fee simple by conveyance of the lands or interests required at a price, including any damages, deemed reasonable by the department. The instrument of conveyance shall name the state as grantee and shall be recorded in the office of the register of deeds. The purchase or acquisition of lands or interests therein under this section is excepted and exempt from s. 20.914 (1). The department may purchase or accept donations of remnants of tracts or parcels of land existing at the time or after it has acquired portions of such tracts or parcels by purchase or condemnation for transportation purposes where in the judgment of the department such action would

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assist in making whole the landowner, a part of whose lands have been taken for transportation purposes and would serve to minimize the overall costs of such taking by the public. This subsection does not apply to lands that are sold under s. 16.848.

SECTION 121. 84.09 (5) (a) of the statutes is amended to read:

84.09 (5) (a) Subject to pars. par. (b) and (c) and to the approval of the governor, the department may sell at public or private sale any personal property of whatever nature owned by the state and under the jurisdiction of the department when the department determines that the property is no longer necessary for the state's use for transportation purposes and, if real property, the real property is not the subject of a petition under s. 16.310 (2). The department shall present to the governor a full and complete report of the property to be sold, the reason for the sale, and the minimum price for which the same should be sold, together with an application for the governor's approval of the sale. The governor shall thereupon make such investigation as he or she may deem necessary and approve or disapprove the Upon such approval and receipt of the full purchase price, the application. department shall by appropriate deed or other instrument transfer the property to the purchaser. The approval of the governor is not required for public or private sale of property having an appraised value at the time of sale of not more than \$15,000, for the transfer of surplus state real property to the department of administration under s. 16.310, or for the transfer of surplus state personal property to the department of tourism under sub. (5s). The funds derived from sales under this subsection shall be deposited in the transportation fund, and the expense incurred by the department in connection with the sale shall be paid from such fund.

SECTION 122. 84.09 (5) (b) of the statutes is amended to read:

84.09 (5) (b) Subject to the approval of the governor in the manner, scope, and
form specified in par. (a), with respect to the sale of personal property acquired by
the department for a project that is completed after May 25, 2006, the department
shall, and with respect to the sale of personal property acquired by the department
for a project that is completed before May 25, 2006, the department may offer for sale
or transfer ownership of the property that the department determines is no longer
necessary for the state's use for transportation purposes, if the property is not the
subject of a petition under s. 16.310 (2). This disposition process shall take place
within 24 months of the completion of the transportation project for which the
property was acquired. Except as provided in par. (c) 3., the The department shall
offer limited and general marketable properties at appraised value, as determined
by a state-certified or licensed appraiser, for not less than 12 months. If the
department does not sell the property at or above its appraised value, the
department shall offer the property for sale by means of sealed bids or public auction.
For the purposes of this paragraph, a project is completed when final payment is
made under the contract for the project.

Section 123. 84.09 (5) (c) of the statutes is repealed.

Section 124. 84.09 (5m) of the statutes is repealed.

SECTION 125. 84.09 (5r) of the statutes is amended to read:

84.09 (5r) In lieu of the sale or conveyance of property under sub. (5) or (5m), the The department may, subject to the approval of the governor, donate real property that is adjacent to the veterans memorial site located at The Highground in Clark County and owned by the state and under the jurisdiction of the department to the Wisconsin Vietnam Veterans Memorial Project, Inc., for the purpose of the veterans memorial site located at The Highground in Clark County for the purpose

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of a memorial hall specified in s. 70.11 (9). The department may donate property under this subsection only when the department determines that the property is no longer necessary for the state's use for transportation purposes and is not the subject of a petition under s. 16.310 (2) and is transferred with a restriction that the donee may not subsequently transfer the real property to any person except to this state, which shall not be charged for any improvements thereon. Such restriction shall be recorded in the office of the register of deeds in the county in which the property is located. The department shall present to the governor a full and complete report of the property to be donated, and the reason for the donation, and the minimum price for which the property could likely be sold under sub. (5), together with an application for the governor's approval of the donation. The governor shall thereupon make such investigation as he or she considers necessary and approve or disapprove the application. Upon such approval, the department shall by appropriate deed or other instrument transfer the property to the donee. The approval of the governor is not required for donation of property having an appraised value at the time of donation of not more than \$15,000. Any expense incurred by the department in connection with the donation shall be paid from the transportation fund.

SECTION 126. 84.09 (8) (b) of the statutes is amended to read:

84.09 (8) (b) Biennially, beginning on January 1, 1984, the department shall submit to the state building commission and the joint committee on finance an inventory of surplus land containing a general description of the location and an estimated value of each parcel. For each inventory submitted after May 25, 2006, the inventory shall contain a report including the estimated marketable value totals, by marketable type, of the land parcels, the net gain and net sale of surplus

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properties in the previous 2-year period, and a summary of the 5 most recent reports submitted under this paragraph.

SECTION 127. 84.09 (9) of the statutes is repealed.

SECTION 128. 84.40 (1) (a) of the statutes is amended to read:

84.40 (1) (a) "Existing highways and other improvements," in relation to any conveyance, lease or sublease made under sub. (2) (a), (b) and (c), means any portion of the national system of interstate and defense highways in this state, including all bridges, tunnels, overpasses, underpasses, interchanges, lighting, approaches, signing, weighing stations, administration, storage and other buildings, facilities or appurtenances which in the judgment of the department are needed or useful for interstate highway purposes, and all improvements and additions thereto which were erected, constructed or installed prior to the making of such conveyance, lease or sublease.

SECTION 129. 84.40 (1) (b) of the statutes is amended to read:

84.40 (1) (b) "New highways and other improvements," in relation to any eenveyance, lease or sublease made under sub. (2) (a), (b) and (c), means any portion of the national system of interstate and defense highways in this state, including all bridges, tunnels, overpasses, underpasses, interchanges, lighting, approaches, signing, weighing stations, administration, storage and other buildings, facilities or appurtenances which in the judgment of the department are needed or useful for interstate highway purposes, and all improvements and additions thereto or to existing interstate highways and other improvements which are erected, constructed or installed after the making of such conveyance, lease or sublease.

SECTION 130. 84.40 (2) (a) of the statutes is repealed.

SECTION 131. 84.40 (2) (c) of the statutes is amended to read:

84.40 (2) (c) May lease or sublease from such nonprofit—sharing corporation, and make available for public use, any such public right—of—way available for highway purposes and existing highways and other improvements conveyed or leased to such corporations under pars. (a) and par. (b), and any new highways or other improvements constructed upon such public right—of—way available for highway purposes or upon any other land owned by such corporation, upon such terms, conditions and rentals, subject to available appropriations, as the department deems in the public interest. With respect to any property conveyed to such corporation under par. (a), such lease from such corporation may be subject or subordinated to one or more mortgages of such property granted by such corporation.

Section 132. 84.40 (2) (f) of the statutes is amended to read:

84.40 (2) (f) Shall submit the plans and specifications for all such new highways or other improvements and all conveyances, leases and subleases and purchase agreements made under this subsection to the governor for approval before they are finally adopted, executed and delivered.

SECTION 133. 84.40 (4) of the statutes is amended to read:

84.40 (4) All conveyances, leases and subleases made under this section shall be made, executed and delivered in the name of the department and signed by the secretary or the secretary's designees.

SECTION 134. 85.09 (4) of the statutes is amended to read:

85.09 (4) ACQUISITION AND CONVEYANCE. Upon its own initiative, the department may determine at any time whether the rail property is abandoned, and whether it is in the best interest of the state to acquire the rail property. Within 90 days after being requested by any state agency, any railroad or any county or municipality in which the rail property is located, the department shall, subject to sub. (5) (b), make

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a determination of the abandonment status and, if found to be abandoned, shall determine whether it is in the best interest of the public to acquire the rail property. If it is determined to acquire the rail property or any part or interest therein, the department shall, within 180 days of the determination of its abandoned status, or the interstate commerce commission's final order permitting the abandonment, or the termination of any efforts to negotiate an agreement for continual operation of rail service on the line, whichever occurs last, determine the fair market value of the rail property and acquire the rail property at a price deemed reasonable by the department or make a relocation order under s. 32.05. In making its determination, the department shall consider long-range potential for use of the rail property for restoration of railroad service and for other transportation related purposes. The department shall solicit the opinions of appropriate state agencies, affected counties and municipalities and other interested persons. The department shall give due consideration to an expressed desire by a state agency or an affected county or municipality to acquire, in whole or in part, the rail property under consideration. Subject Except as provided in this subsection and subject to sub. (6), all or part of any interest in abandoned rail property acquired by the department under this section or under s. 66.941 (7), 1975 stats., may be subsequently conveyed to another state agency or a county or municipality for transportational purposes, recreational purposes, scenic purposes or for the purpose of constructing a correctional institution, or to a railroad for continued railroad transportation operations when the railroad has operated on the rail property for 5 years and the department may make such conveyances for such purposes. Any determination of the department under this section that rail property is not abandoned shall not preclude the undertaking of a subsequent investigation and determination concerning the same

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rail property or any portion thereof. If at any time subsequent to the acquisition of rail property under this section the department determines that the rail property is not suitable for transportational purposes, recreational purposes, scenic purposes or for the purpose of constructing a correctional institution, or that the rail property or any interest therein may be conveyed to any other person on terms which are not inconsistent with the potential use of the rail property for transportational purposes, recreational purposes, scenic purposes or for the purpose of constructing a correctional institution or which yield a benefit, including financial benefits, to the state which outweighs the benefit derived from the rail property if used for transportational purposes, recreational purposes, scenic purposes or for the purpose of constructing a correctional institution, the department may convey the rail property or such interest therein, except as provided in this subsection and subject to sub. (6). The department shall give notice of its intention to make the conveyance, and state and local units of government shall have the first 6 months in which to exercise their opportunity to acquire the rail property or interest therein. The railroad from which the rail property was acquired shall have the next 6 months in which to exercise its opportunity to reacquire the rail property or interest therein. The department shall not sell real property under this subsection.

SECTION 135. 85.09 (4i) of the statutes is amended to read:

85.09 (4i) DISPOSAL OF RAIL PROPERTY. The department shall sell at public or private sale <u>personal</u> rail property acquired under sub. (4) when the department determines that the rail property is not necessary for a public purpose and, if real property, the real property is not the subject of a petition under s. 16.310 (2). Upon receipt of the full purchase price, the department shall, by appropriate deed or other instrument, transfer the rail property to the purchaser. The funds derived from sales

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under this subsection shall be deposited in the transportation fund, and the expense incurred by the department in connection with the sale shall be paid from the appropriation under s. 20.395 (2) (bq). This subsection does not apply to real property that is sold under s. 16.848.

SECTION 136. 85.15 (2) of the statutes is amended to read:

85.15 (2) The department shall credit to the appropriation account under s. 20.395 (4) (ew) the amount, if any, by which moneys received in any year from the sale or lease of property acquired by the department exceeds \$2,750,000. The department shall use 50% of any proceeds credited to this appropriation account from the sale or lease of any property to supplement the costs of management and operations of the district office of the department that initiated the sale or lease of that property.

SECTION 137. 108.161 (7) of the statutes is repealed.

Section 138. 108.161 (9) of the statutes is amended to read:

108.161 (9) Any land and building or office quarters acquired under this section shall continue to be used for employment security purposes. Realty or quarters may not be sold or transferred to other use without the governor's approval. The proceeds from the sale, or the value of realty or quarters upon transfer, shall be credited to the account established in sub. (1) or credited to the fund established in s. 108.20, or both in accordance with federal requirements. Equivalent substitute rent-free quarters may be provided, as federally approved. Amounts credited under this subsection shall be used solely to finance employment security quarters according to federal requirements.

Section 139. 114.33 (6) (a) of the statutes is amended to read:

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114.33 (6) (a) For the purposes of carrying out this section and ss. 114.35 and 114.37, the secretary may acquire by gift, devise, purchase or condemnation any lands for establishing, protecting, laying out, enlarging, extending, constructing, reconstructing, improving and maintaining airports, or interests in lands in and about airports. After completion of the improvements, the secretary may convey as provided in this subsection lands that were acquired under this subsection, but were not necessary for the airport improvements, but shall not sell the lands. The conveyances may be made with reservations concerning the future use and occupation of those lands so as to protect the airports and improvements and their environs and to preserve the view, appearance, light, air and usefulness of the airports.

SECTION 140. 114.33 (10) of the statutes is amended to read:

secretary may sell at public or private sale <u>personal</u> property of whatever nature owned by the state and under the jurisdiction of the secretary when the secretary determines that the property is no longer necessary for the state's use for airport purposes and, if real property, the real property is not the subject of a petition under s. 16.310. The secretary shall present to the governor a full and complete report of the property to be sold, the reason for the sale, and the minimum price for which the property should be sold, together with an application for the governor's approval of the sale. The governor shall investigate the proposed sale as he or she deems necessary and approve or disapprove the application. Upon approval and receipt of the full purchase price, the secretary shall by appropriate deed or other instrument transfer the property to the purchaser. The funds derived from the sale shall be deposited in the appropriate airport fund, and the expense incurred by the secretary

1	in connection with the sale shall be paid from that fund. This subsection does not
2	apply to real property that is sold under s. 16.848.
3	SECTION 141. 190.15 of the statutes is repealed.
4	Section 142. 196.491 (2) (e) of the statutes is renumbered 196.491 (2) (e) 2. and
5	amended to read:
6	196.491 (2) (e) 2. Any state agency, as defined in s. 16.310 (1), county,
7	municipality, town, or person may submit written comments to the commission on
8	a strategic energy assessment within 90 days after copies of the draft are issued
9	under par. (b).
10	SECTION 143. 196.491 (2) (e) 1. of the statutes is created to read:
11	196.491 (2) (e) 1. In this paragraph, "state agency" means an office,
12	commission, department, or independent agency in the executive branch of state
13	government.
14	SECTION 144. 256.35 (3m) (h) of the statutes is renumbered 256.35 (3m) (h) 2.
15	and amended to read:
16	256.35 (3m) (h) 2. No local government or state agency, as defined in s. 16.310
17	(1), except the commission, may require a wireless provider to collect or pay a
18	surcharge or fee related to wireless emergency telephone service.
19	SECTION 145. 256.35 (3m) (h) 1. of the statutes is created to read:
20	256.35 (3m) (h) 1. In this paragraph, "state agency" means an office,
21	commission, department, or independent agency in the executive branch of state
22	government.
23	SECTION 146. 301.235 (1) (a) and (b) of the statutes are amended to read:
24	301.235 (1) (a) "Existing building", in relation to any conveyance, lease or
25	sublease made under sub. (2) (a) 1., 2. and 3., means all detention, treatment,

administrative, recreational, infirmary, hospital, vocational and academic buildings; all dormitories and cottages; all storage facilities, heating plants, sewage disposal plants, and such other buildings, structures, facilities and permanent improvements as in the judgment of the secretary are needed or useful for the purposes of the department, and all equipment therefor and all improvements and additions thereto which were erected, constructed or installed prior to making the conveyance, lease or sublease.

(b) "New building", in relation to any conveyance, lease or sublease made under sub. (2) (a) 1., 2. and 3., means all detention, treatment, administrative, recreational, infirmary, hospital, vocational and academic buildings; all dormitories and cottages; all storage facilities, heating plants, sewage disposal plants, and such other buildings, structures, facilities and permanent improvements as in the judgment of the secretary are needed or useful for the purposes of the department, and all equipment therefor and all improvements and additions thereto which are erected, constructed or installed after making the conveyance, lease or sublease.

Section 147. 301.235 (2) (a) 1. of the statutes is repealed.

SECTION 148. 301.235 (2) (a) 3. and 4. of the statutes are amended to read:

301.235 (2) (a) 3. The power to lease or sublease from the nonprofit corporation, and to make available for public use, any such land and existing buildings conveyed or leased to the nonprofit corporation under subds. 1. and subd. 2., and any new buildings erected upon the land or upon any other land owned by such nonprofit corporation, upon such terms, conditions and rentals, subject to available appropriations, as the secretary determines are in the public interest. With respect to any property conveyed to the nonprofit corporation under subd. 1., the lease from

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the nonprofit corporation may be subject or subordinated to one or more mortgages of the property granted by the nonprofit corporation.

4. The duty to submit the plans and specifications for all such new buildings and all conveyances, leases and subleases made under this section to the department of administration and the governor for written approval before they are finally adopted, executed and delivered.

SECTION 149. 301.235 (2) (d) of the statutes is amended to read:

301.235 (2) (d) All conveyances, leases and subleases made under this section shall be made, executed and delivered in the name of the department and shall be signed by the secretary and sealed with the seal of the department.

SECTION 150. 301.24 (4) of the statutes is repealed.

SECTION 151. 301.24 (4m) of the statutes is amended to read:

301.24 (4m) Correctional institution property disposition. In addition to any other requirements under this section, except where a sale occurs under s. 16.848, the department may sell or otherwise transfer or dispose of the property acquired for the correctional institution under s. 46.05 (1o), 1985 stats., only if the sale, transfer or disposition is approved by the joint committee on finance. The department shall submit a plan for any such proposed sale, transfer or disposition to the committee.

Section 152. 301.25 of the statutes is amended to read:

301.25 Sewer system at Taycheedah Correctional Institution. The department, with the approval of the governor, may enter into an agreement containing terms, conditions and covenants approved by the building commission, to participate in the construction of a sanitary sewer system in the area adjacent to the Taycheedah Correctional Institution in the town of Taycheedah, Fond du Lac

County; to connect the sewer system of the Taycheedah Correctional Institution
thereto; to pay sewage disposal charges; and to grant easements or convey land to
meet construction requirements.
SECTION 153. 302.04 of the statutes is amended to read:
302.04 Duties of warden and superintendents. Except as provided in s.
16.848 (1), the warden or the superintendent of each state prison shall have charge
and custody of the prison and all lands, belongings, furniture, implements, stock and
provisions and every other species of property within the same or pertaining thereto.
The warden or superintendent shall enforce the rules of the department for the
administration of the prison and for the government of its officers and the discipline
of its inmates.
SECTION 154. 321.03 (2) (b) of the statutes is amended to read:
321.03 (2) (b) Upon appraisal by the state chief engineer submitted to the
governor in writing and with written approval of the governor sell and convey, any
state-owned personal property acquired or erected for state military purposes, if the

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property is no longer useful to the national guard.

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SECTION 1. 13.48 (14) (c) of the statutes is amended to read:

13.48 (14) (c) If there is any outstanding public debt used to finance the acquisition of a building, structure or land or the construction of a building or structure that is sold or leased under par. (b), the building commission shall deposit a sufficient amount of the net proceeds from the sale or lease of the building, structure or land in the bond security and redemption fund under s. 18.09 to repay the principal and pay the interest on the debt, and any premium due upon refunding any of that debt. Except as provided in s. 51.06 (6), if there is no such debt outstanding, or, if the net proceeds exceed the amount required to repay that principal and pay that interest and premium, the building commission shall deposit first use the net proceeds or remaining net proceeds in the budget stabilization fund to pay principal and interest costs on outstanding public debt that was used for transportation purposes from general fund supported borrowing, shall then use the net proceeds or remaining net proceeds to pay principal and interest costs on outstanding public debt that was used for transportation purposes from segregated fund or segregated revenue supported borrowing and shall then use the net proceeds or remaining net proceeds to pay principal and interest costs on other outstanding public debta.

History: 1971 c. 125; 1973 c. 90; 1973 c. 243 s. 82; 1973 c. 335 s. 13; 1975 c. 39, 40, 198, 199; 1977 c. 26; 1977 c. 29 ss. 7, 8r, 1654 (8) (c); 1977 c. 325; 1977 c. 418 ss. 5, 5m, 924 (18) (c); 1979 c. 34, 221, 350; 1981 c. 341; 1983 a. 27 ss. 11 to 12n, 2202 (5); 1983 a. 36 ss. 18 to 20, 96 (3); 1983 a. 207; 1985 a. 29, 120; 1987 a. 27, 186, 395, 399; 1989 a. 31, 366; 1991 a. 39, 269, 315; 1993 a. 16, 288, 414; 1995 a. 27, 216, 225, 227; 1997 a. 5, 27, 35, 237; 1999 a. 9; 1999 a. 150 s. 672; 1999 a. 197; 2001 a. 16, 103; 2003 a. 33 ss. 25 to 26i, 9160; 2003 a. 91; 2005 a. 25, 253, 391; 2007 a. 20; 2009 a. 28, 185, 361; 2011 a. 7, 10, 32.